

STATE OF INDIANA)

COUNTY OF LAKE)

SS:

IN THE LAKE CIRCUIT COURT

CAUSE NO. 45C01-0711-PL-00301

STATE OF INDIANA,)

Plaintiff,)

v.)

VACATION RESORT MANAGEMENT)
INC., HARBOR MANAGEMENT OF)
COLORADO LLC, HARBOR)
MANAGEMENT CORPORATION,)
MADELINE ALLERTON, DAVID)
HADDAD, LISA JANTELEZIO, and)
ELIZABETH VALENTE,)

Defendants.)

MADELINE ALLERTON and)
ELIZABETH VALENTE,)

Cross-claim Plaintiffs,)

viii.)

HARBOR MANAGEMENT OF)
OF COLORADO, LLC,)
HARBOR MANAGEMENT)
CORPORATION, DAVID HADDAD,)
LISA JANTELEZIO, and VACATION)
RESORT MANAGEMENT, INC.)

Cross-Claim Defendants.)

Filed in Open Court

MAR 19 2009

Thomas R. Philpott
CLERK LAKE CIRCUIT COURT

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DEFAULT JUDGMENT AGAINST HARBOR MANAGEMENT OF
COLORADO, LLC AND HARBOR MANAGEMENT CORPORATION

The Plaintiff, State of Indiana, having filed its Motion for Default Judgment, and
the Court having read the same and being duly advised in the premises, now finds:

1. The Court has subject matter jurisdiction and personal jurisdiction over the Defendants, **Harbor Resort of Colorado, LLC** and **Harbor Resort Corporation**.

2. The Defendants were served with notice of these proceedings and a copy of the Second Amended Complaint for Injunction, Restitution, Costs, and Civil Penalties.

3. The Defendants have failed to appear, plead, or otherwise respond to the Second Amended Complaint.

4. The Defendants are not infants, incompetents, or in military service.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that the Motion for Default Judgment is **GRANTED** in favor of the Plaintiff, State of Indiana, and against the Defendants, **Harbor Resort of Colorado, LLC** and **Harbor Resort Corporation**.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Indiana Code § 24-5-0.5-4(c)(1), the Defendants, **Harbor Resort of Colorado, LLC** and **Harbor Resort Corporation**, *both being also known as* Harbor Resort Management Group, HRMG, Harbor Management Resort Group, HMRG, Harbor Resorts, Harbor Resort Management, Harbor Resorts Management, Harbor Management, Crown Point Harbor, Harbor Management, Inc., Harbor and HRM, their agents, representatives, employees, successors and assigns, are permanently enjoined from engaging in the following:

- a. representing, expressly or by implication, the subject of a consumer transaction has sponsorship, approval, characteristics, accessories, uses, or benefits it does not have, which Defendants know or reasonably should know it does not have;

- b. representing, expressly or by implication, that a consumer transaction involves or does not involve a warranty, a disclaimer of warranties, or other rights, remedies, or obligations, if the representation is false and if Defendants know or should reasonably know that the representation is false;
 - c. representing, expressly or by implication, that Defendants are able to deliver or complete the subject of a consumer transaction within a stated period or time or within a reasonable period of time, when Defendants know or reasonably should know that the transaction cannot be so completed;
 - d. in the course of conducting promotions in Indiana, failing to include all of the items required by Ind. Code §§ 24-8-2-3 through 24-8-3-8 in the promotional notice sent to consumers;
 - e. in the course of conducting promotions in Indiana, failing to offer to the consumer a substitute prize pursuant to the terms of Ind. Code § 24-8-5-1(a) if the prize the consumer won is not available;
 - f. in the course of conducting promotions in Indiana, failing to honor a voucher, certificate, or other evidence of obligation if the person named as being responsible fails to honor the voucher, certificate, or other evidence of obligation;
 - g. acting as sellers as defined in the Indiana Telephone Solicitations Act without properly registering with the Consumer Protection Division;
- and

- h. acting as time share seller without properly registering with the
Consumer Protection Division.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that judgment is entered for the Plaintiff, State of Indiana, and against the Defendants, **Harbor Resort of Colorado, LLC** and **Harbor Resort Corporation**, *both being also known as* Harbor Resort Management Group, HRMG, Harbor Management Resort Group, HMRG, Harbor Resorts, Harbor Resort Management, Harbor Resorts Management, Harbor Management, Crown Point Harbor, Harbor Management, Inc., Harbor and HRM, as follows:

- (a). Pursuant to Ind. Code § 24-5-0.5-4(d), the contracts and/or agreements, including the purchase agreements, retail installment contracts, and/or promissory notes, between Defendants and the following consumers are voidable at the option of the consumers which include: Nikole Aponte and Josh Skalka, Arturo and Danielle Azcona, Morris and June Blackmon, Crystal Corsey, Cornell and Penny Davis, George and Theresa Drozd, Dean and Emma Efantis, Michelle Ferrell, Greg and Sharon Fodor, Edward and Lorraine Frank, Maurice Barfield, James and Martha Gedda, Ernest and Jessica McFall, Ronald Richmond, Lee Saulsberry, Brian Swisher, James Walton, James Reynolds, Mark and Teresa Rose, Darrell Draper, Steven and Shiela Kalman, Lucille Dust, James Williamson, Wendy Singleton, Anthony and Sharon Arnold, James Robertson, Mary and Larry Mabon, Paul and Ruby Tougaw, Jack and Vickie Thomas, Damali Samuels and Corwin Johnson,

Todd and Lisa Mayer, William and Janet Phillippe, Howard Shelhart, and Venetia Wise and Leslie Wise-Smith, **and** Jamey Barnett, Jeffrey and Irene Francis, Dorothy Campbell, Henry Cole Jr., Joyce Jones, Ronald Killingsworth, Stephen Pluimer, Gwendolyn Sims, Tommy and Samantha Sons, Edward Thomas, William and Anna Vespo, Russell Marcus and Katherine Wuchner, Chad and Angela Newsum, Charity Friend, Jamies and Lori Casten, Luetishia Armstrong, Susan and Bryan Butler, Gretta Bowyer, Scott and Linda Carter, Angelo and Rose Davenport, Brian Harmon and Katrina West, Jeffrey and Anna Monnier, Alex Mendez, Francis and Gwen Schilling, Malva Thomas, Jacqueline Vickerstaff and Wayne Tatum, Douglass and Pam Waters, Daniel and Amy Sullivan, Bonita and John Stack, David Tabor, Jonathan Torres, Israel Talbert, Karen Schoenbeck, Rose Ann Kendall, Lewis and Florida Harris, Julie Foster, Angel and Allen Kildow, Amber Drownes, Monica Sadler, Randall and Cheryl Campbell, Aelan Kim Choi and Yong Kyun Kim, Richard and Carmen Suchanuk, and Luis Barajas;

- (b). The Defendants shall pay consumer restitution, pursuant to Ind. Code § 24-5-0.5-4(c)(2), in the amount of Three Hundred Seventy Three Thousand Six Hundred and Fifty-Two Dollars (\$373,652.00), payable to the Office of the Attorney General, for allocation and distribution to the following consumers in the following amounts;

1. Nikole Aponte and Josh Skalka	\$8,000.00;
2. Arturo and Danielle Azcona	\$6,995.00;
3. Morris and June Blackmon	\$7,995.00;
4. Crystal Corsey	\$6,000.00;
5. Cornell and Penny Davis	\$2,995.00;
6. George and Theresa Drozd	\$1,595.00;
7. Dean and Emma Efantis	\$1,995.00;
8. Michelle Ferrell	\$6,995.00;
9. Greg and Sharon Fodor	\$1,395.00;
10. Edward and Lorraine Frank	\$1,595.00;
11. James and Martha Gedda	\$6,495.00;
12. Ernest and Jessica McFall	\$10,619.00;
13. Ronald Richmond	\$1,595.00;
14. Lee Saulsberry	\$5,916.00;
15. Brian Swisher	\$11,215.00;
16. James Walton	\$1,595.00;
17. James Reynolds	\$5,900.00;
18. Mark and Teresa Rose	\$8,495.00;
19. Darrell Draper	\$4,000.00;
20. Steven and Shiela Kalman	\$6,995.00;
21. Lucille Dust	\$7,295.00;
22. James Williamson	\$6,200.00;
23. Wendy Singleton	\$1,595.00;
24. Anthony and Sharon Arnold	\$6,000.00;
25. James Robertson	\$1,800.00;
26. Mary and Larry Mabon	\$5,900.00;
27. Paul and Ruby Tougaw	\$5,500.00;
28. Damali Samuels and Corwin Johnson	\$6,000.00;
29. Todd and Lisa Mayer	\$4,900.00;
30. William and Janet Phillippe	\$1,595.00;
31. Howard Shelhart	\$7,810.00;
32. Venetia and Leslie Wise Smith	\$7,995.00; and
33. Jamey Barnett	\$4,900.00;
34. Jeffrey and Irene Francis	\$4,390.00;
35. Dorothy Campbell	\$4,000.00;
36. Henry Cole Jr.	\$4,400.00;
37. Joyce Jones	\$7,995.00;
38. Ronald Killingsworth	\$4,900.00;
39. Stephen Pluimer	\$4,500.00;
40. Gwendolyn Sims	\$7,319.00;
41. Tommy and Samantha Sons	\$8,000.00;
42. Edward Thomas	\$4,000.00;
43. William and Anna Vespo	\$3,000.00;
44. Russell Marcus/Katherine Wuchner	\$5,995.00;
45. Chad and Angela Newsum	\$4,900.00;
46. Charity Friend	\$4,900.00;

47. James and Lori Casten	\$6,990.00;
48. Luetishia Armstrong	\$4,995.00;
49. Susan and Bryan Butler	\$4,900.00;
50. Gretta Bowyer	\$5,900.00;
51. Scott and Linda Carter	\$5,200.00;
52. Angelo and Rose Davenport	\$3,900.00;
53. Brian Harmon and Katrina West	\$6,000.00;
54. Jeffrey and Anna Monnier	\$ 8,000.00;
55. Alex Mendez	\$3,900.00;
56. Francis and Gwen Schilling	\$3,000.00;
57. Malva Thomas	\$7,995.00;
58. Jacqueline Vickerstaff /Wayne Tatum	\$3,900.00;
59. Douglass and Pam Waters	\$3,900.00;
60. Daniel and Amy Sullivan	\$4,900.00;
61. Bonita and John Stack	\$5,900.00;
62. David Tabor	\$4,000.00;
63. Jonathan Torres	\$6,500.00;
64. Israel Talbert	\$4,995.00;
65. Karen Schoenbeck	\$999.00;
66. Rose Ann Kendall	\$4,900.00;
67. Lewis and Florida Harris	\$1,459.00;
68. Julie Foster	\$4,900.00;
69. Angel and Allen Kildow	\$5,900.00;
70. Monica Sadler	\$3,995.00;
71. Randall and Cheryl Campbell	\$5,000.00;
72. Aelan Kim Choi and Yong Kyun Kim	\$3,900.00; and
73. Richard and Carmen Suchanuk	\$3,550.00;

TOTAL \$373,652.00;

- (c). The Defendants shall pay the Office of the Attorney General its costs in investigating and prosecuting this action, pursuant to Ind. Code § 24-5-0.5-4(c)(3), in the amount of Six Thousand and Seven Hundred and Fifty Dollars (**\$6,750.00**);
- (d). The Defendants shall pay civil penalties, pursuant to Ind. Code § 24-5-0.5-4(g), for the Defendants' knowing violations of the Deceptive Consumer Sales Act, in the amount of Eighty Two

Thousand Dollars (\$82,000.00), payable to the State of Indiana;

and

- (e). The Defendants shall pay civil penalties, pursuant to Ind. Code § 24-5-0.5-8, for the Defendant's intentional violations of the Deceptive Consumer Sales Act, in the amount of Six Thousand Four Hundred Dollars (\$8,200.00), payable to the State of Indiana.

A total monetary judgment in the amount of Four Hundred Seventy Thousand Six Hundred and Two Dollars (\$470,602.00) shall therefore be entered in favor of the Plaintiff, State of Indiana, and against the Defendants, Harbor Resort of Colorado, LLC and Harbor Resort Corporation

All of which is **ORDERED, ADJUDGED, AND DECREED** this 19 day of

MARCH, 2009.

DATE: 3/19/09

APPROVED: 

Judge, Lake Circuit Court

Distribution:

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